

# **PETERSON COMPLEX**

## **ECONOMIC IMPACT**

### **ANALYSIS**

**FY09 (1 OCT 08 - 30 SEP 09)**



**PREPARED BY FINANCIAL ANALYSIS**

**21ST SPACE WING**

**PETERSON AFB CO**



## DEPARTMENT OF THE AIR FORCE

21ST SPACE WING (AFSPC)

MEMORANDUM FOR SEE DISTRIBUTION

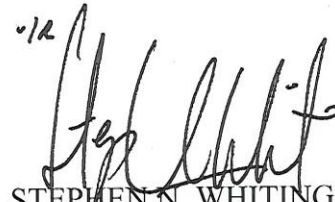
16 Feb 10

FROM: 21 SW/CC  
775 Loring Avenue, Suite 205  
Peterson AFB CO 80914

SUBJECT: Economic Impact Analysis

1. The Economic Impact Analysis is our way of keeping the Colorado Springs and El Paso County Communities informed of the activities of Peterson Air Force Base, Cheyenne Mountain Air Force Station, and the Federal Building. It is a summary of key information concerning our mission, resources, personnel, and the overall economic impact on the Colorado Springs community in Fiscal Year 2009.

2. We thank the citizens of El Paso County for their outstanding cooperation and strong support. We look forward to continued cooperation in an effort to make our communities an even better place to work and live!

•/12  
  
STEPHEN N. WHITING  
Colonel, USAF  
Commander

## **STATEMENT OF CLEARANCE**

In accordance with AFI 36-2623 and AFI 35-101, the information contained in this impact analysis has been cleared through the Operations Security Office and the Public Affairs Office for public release.

## PREFACE

### ECONOMIC IMPACT ANALYSIS

The Peterson AFB and Cheyenne Mountain AFS Economic Impact Analysis (EIA) is a useful data resource for the Air Force planners and a source of information for community leaders, legislators, and installation visitors. It presents the total economic impact and number of off-base secondary jobs supported by Air Force expenditures in the Economic Impact Region (EIR). The EIR for Peterson AFB and Cheyenne Mountain AFS covers the area within a 50 mile radius, including the city of Colorado Springs.

The EIA reflects information concerning Peterson AFB, Cheyenne Mountain AFS, and the Federal Building, annotated throughout this publication as Peterson Complex. Schriever AFB is excluded as part of this EIA, except where noted.

Through close interaction with various agencies throughout the Peterson Complex, the 21st Space Wing Financial Analysis Division (21 CPTS/FMA) compiled this FY09 EIA. The fiscal year data contained in the EIA reflects the time period of 1 October 2008 to 30 September 2009. We thank those members who helped contribute to this publication. Send suggestions or comments to:

21st Comptroller Squadron  
Financial Analysis Flight  
135 Dover Street, Suite 2009  
Peterson AFB CO 80914-1137  
Telephone (719) 556-4342  
DSN 834-4342

21 CPTS/FMA  
As of: 8 January 2010

## **PETERSON COMPLEX MISSION STATEMENTS**

**NORAD Mission** – In close collaboration with homeland defense, security, and law enforcement partners, prevent air attacks against North America, safeguard the sovereign airspaces of the United States and Canada by responding to unknown, unwanted and unauthorized air activity approaching and operating within these airspaces, and provide aerospace and maritime warning for North America.

**USNORTHCOM Mission** – Conduct operations to anticipate, deter, prevent, and defeat threats and aggression aimed at the United States, its territories, and interests within the assigned area of responsibility; and when directed, provide defense support of civil authorities including consequence management operations.

**AFSPC Mission** – Provide an integrated constellation of space and cyberspace capabilities at the speed of need.

**21st Space Wing Mission** – Conduct precise and disciplined missile warning, missile defense and space control operations; professionally operate, support and protect our installations while teaming with mission partners; and develop, deploy and care for our Warrior Airmen who defend America and our Allies.

**302d Airlift Wing Mission** – Citizen Airmen providing superior global reach.



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**ECONOMIC IMPACT ANALYSIS**  
**Peterson AFB - FY09**

(Version 1.4)

**TABLE 1**  
**PERSONNEL BY CLASSIFICATION AND HOUSING LOCATION**

As of: 30-Sep-09

CLASSIFICATION	LIVING ON BASE	LIVING OFF BASE	TOTAL
<b>1. APPROPRIATED FUND MILITARY</b>			
Active Duty	382	3,298	3,680
Air Force Reserve/Air National Guard	1	1,235	1,236
Army/Navy/Marines/Coast Guard	99	318	417
Canadian Forces	2	149	151
<b>TOTAL:</b>	<b>484</b>	<b>5,000</b>	<b>5,484</b>
<b>2. ACTIVE DUTY MILITARY DEPENDENTS</b>	<b>1,101</b>	<b>5,690</b>	<b>6,791</b>
<b>3. APPROPRIATED FUND CIVILIANS</b>			
General Schedule and NSPS			2,235
Federal Wage Board			170
Other			40
<b>TOTAL:</b>			<b>2,445</b>
<b>4. NON-APPROPRIATED FUND CONTRACT CIVILIANS AND PRIVATE BUSINESS</b>			
Civilian NAF			320
Base Exchange (BX) Civilians			168
Contract Civilians (not elsewhere included)			2,756
Private Businesses On Base, By Type:			54
Branch Banks/Credit Union			12
Other Civilians (not elsewhere included)			42
<b>TOTAL:</b>			<b>3,298</b>
<b>TOTAL PERSONNEL:</b>			<b>18,018</b>

**ECONOMIC IMPACT ANALYSIS**  
**Peterson AFB - FY09**

**TABLE 2**  
**ANNUAL PAYROLL BY CLASSIFICATION AND HOUSING LOCATION**

As of: 30-Sep-09

CLASSIFICATION	LIVING ON BASE (\$)	LIVING OFF BASE (\$)	TOTAL (\$)
<b>1. APPROPRIATED FUND MILITARY</b>			
Active Duty	26,723,192	230,714,888	\$257,438,080
ANG/Reserve	14,552	17,971,559	\$17,986,111
Army/Navy/Marines/Coast Guard	6,925,644	22,246,008	\$29,171,652
Canadian Forces	139,912	10,423,444	\$10,563,356
	<hr/>		
TOTAL:	\$33,803,300	\$281,355,899	\$315,159,199
<b>2. APPROPRIATED FUND CIVILIANS</b>			
General Schedule and NSPS			165,744,834
Federal Wage Board			7,976,054
Other			4,028,644
			<hr/>
		TOTAL:	\$177,749,532
<b>3. NON-APPROPRIATED FUND CONTRACT CIVILIANS AND PRIVATE BUSINESS</b>			
Civilian NAF			5,535,271
Base Exchange (BX) Civilians			2,076,010
Contract Civilians (not elsewhere included - see table 3 Contracts)			0
Private Businesses On Base, By Type:			\$386,034
Branch Banks/Credit Union			386,034
Other Civilians (not elsewhere included)			0
			<hr/>
		TOTAL:	\$7,997,315
<b>TOTAL ANNUAL PAYROLL:</b>			<b>\$500,906,046</b>



**ECONOMIC IMPACT ANALYSIS**  
**Peterson AFB - FY09**

**TABLE 3**  
**EXPENDITURES FOR CONSTRUCTION, SERVICES, AND PROCUREMENT OF**  
**MATERIALS, EQUIPMENT, AND SUPPLIES**

(Not including contracts for services supplied to other Air Force installations)

As of: 30-Sep-09

	ACTUAL ANNUAL EXPENDITURES
1. CONSTRUCTION	
Military Construction Program	16,409,872
Non-Appropriated Fund	0
Military Family Housing	0
O&M	16,446,395
	-----
TOTAL:	\$32,856,267
2. SERVICES	
Services Contracts *	430,347,135
Other Services (not elsewhere included)	0
	-----
TOTAL:	\$430,347,135
3. MATERIALS, EQUIPMENT, AND SUPPLIES PROCUREMENT	
Commissary	10,789,980
Base Exchange (BX)	337,020
Health (CHAMPUS, Government cost only)	10,329,213
Education (Impact aid and tuition assistance)	4,965,980
TDY	5,840,329
Other Materials, Equipment & Supplies (not elsewhere included)	21,099,371
	-----
TOTAL:	\$53,361,893
<b>TOTAL ANNUAL EXPENDITURES:</b>	<b>\$516,565,295</b>

\* Includes only contracts in the local economic area or contracts requiring the use of locally supplied goods and services.

**ECONOMIC IMPACT ANALYSIS**  
**Peterson AFB - FY09**

**TABLE 4**  
**ESTIMATE OF NUMBER AND DOLLAR VALUE OF INDIRECT JOBS CREATED**

As of: 30-Sep-09

Type of Personnel	# of Base Jobs	Multiplier	# of Indirect Jobs
ACTIVE DUTY MILITARY	3,680	0.41	1,509
RESERVE/ANG/TRAINEEs	1,804	0.16	289
APF CIVILIANS	2,445	0.55	1,345
OTHER CIVILIANS	3,298	0.55	1,814
	-----		-----
TOTAL:	11,227		4,957

ESTIMATED NUMBER OF INDIRECT JOBS CREATED: 4,957

AVERAGE ANNUAL PAY FOR THE LOCAL COMMUNITY: 43,814

ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED: \$217,185,998

**Data Sources:**

Multipliers: LMI Economic Impact Database, Installations and Indirect/Induced Job Multipliers, Feb 95  
 Avg Annual Pay: Current tables for Average Annual Pay Levels in Metropolitan Areas and Average Annual Pay by State and Industry are accessible at: <http://stats.bls.gov:80/newsrels.htm#OEUS>

**ECONOMIC IMPACT ANALYSIS**  
**Peterson AFB - FY09**

**TABLE 5**  
**TOTAL ANNUAL ECONOMIC IMPACT ESTIMATE**

As of: 30-Sep-09

ANNUAL PAYROLL: \$500,906,046

Military	\$315,159,199
Federal Civilian	\$177,749,532
Other Civilian	\$7,997,315

ANNUAL EXPENDITURES: \$516,565,295

ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED: \$217,185,998

Estimated Indirect Jobs Created	4,957
Average Annual Pay	\$43,814

<b>GRAND TOTAL:</b>	<b>\$1,234,657,339</b>
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## Variances Between FY08 and FY09 Statistics

Category	Variance (+) (-)	Percentage	FY08	FY09
<b>Personnel</b>				
Appropriated Fund Military	218	4.1%	5,266	5,484
Active Duty Military Dependents	215	3.3%	6,576	6,791
Appropriated Fund Civilian	135	5.8%	2,310	2,445
Non-Appropriated Fund Contract				
Civilians and Private Business	134	4.2%	3,164	3,298
<b>Total</b>	<b>702</b>	<b>4.1%</b>	<b>17,316</b>	<b>18,018</b>
<b>Annual Payroll</b>				
Appropriated Fund Military	24,233,595	8.3%	290,925,604	315,159,199
Appropriated Civilian	18,131,889	11.4%	159,617,643	177,749,532
Non-appropriated Fund Contract				
Civilians and Private Business	1,529,688	23.7%	6,467,627	7,997,315
<b>Total</b>	<b>43,895,172</b>	<b>9.6%</b>	<b>457,010,874</b>	<b>500,906,046</b>
<b>Expenditures for Construction, Service, and Procurement of Materials, Equipment and Supplies</b>				
Construction	6,924,267	26.7%	25,932,000	32,856,267
Services	-9,808,830	-2.2%	440,155,965	430,347,135
Materials, Equipment and Supplies	3,706,822	7.5%	49,655,071	53,361,893
<b>Total</b>	<b>822,259</b>	<b>0.2%</b>	<b>515,743,036</b>	<b>516,565,295</b>
Estimated Annual Dollar Value of Jobs Created	15,541,065	7.7%	201,644,933	217,185,998
<b>Total</b>	<b>15,541,065</b>	<b>7.7%</b>	<b>201,644,933</b>	<b>217,185,998</b>
<b>Grand Total Economic Impact (FY08 vs. FY09)</b>	<b>60,258,496</b>	<b>5.1%</b>	<b>1,174,398,843</b>	<b>1,234,657,339</b>

## **Variances in EIA Numbers between FY08 & FY09**

### **Table 1**

**Personnel** – The 4.1 percent increase came from the increase of Air Force members, appropriated and non-appropriated funded civilians, and contract civilians assigned to Peterson AFB complex.

### **Table 2**

**Total Annual Payroll** – The 9.6 percent increase in overall annual payroll is attributed to a 4.1 percent increase in personnel on the Peterson AFB complex and a slight increase in overall military and civilian pay.

### **Table 3**

**Military Construction** – Military Construction increased by 26.7 percent and is due to the American Recovery and Reinvestment Act (ARRA) stimulus funded military construction projects started at Peterson AFB during FY09.

**Materials, Equipment, Supplies Procurement** - Increases in this category were influenced primarily by a 5.0 percent increase in medical costs. This is consistent with healthcare cost increases that are generally seen in this industry.

### **Table 4**

**Estimated Annual Dollar Value of Jobs Created** – The 7.7 percent increase in the number of indirect jobs created has a direct correlation to the increase in military members assigned to Peterson AFB Complex. Local multipliers were utilized per guidance by the Bureau of Labor Statistics, US Department of Labor.

### **Table 5**

**Grand Total Economic Impact** – An overall increase of approximately 5.1 percent was realized in FY09 as compared to FY08. In summary, the increase is directly attributable to the following factors:

- Increase in overall personnel assigned to PAFB due to mission requirements
- Increase in military construction expenditures due to ARRA stimulus funded military construction projects across the base.
- Increase in the number and dollar value of indirect jobs created in the local area.



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